

May 30, 1972

Mr. Del Clawson for, with Mr. Hollifield against.
Mr. Caffery for, with Mr. Cotter against.
Mr. Rousselot for, with Mr. Hanna against.
Mr. Burleson of Texas for, with Mr. Kyros against.

Mr. Kuykendall for, with Mr. St Germain against.
Mr. Mathis of Georgia for, with Mr. Ashley against.

Mr. Gubser for, with Mr. Halpern against

Until further notice:

Mr. Abernethy with Mr. Hutchinson.
Mr. Rodino with Mr. Jonas.
Mr. Fulton of Tennessee with Mr. Keating.
Mr. Rooney of New York with Mr. Baker.
Mr. Blanton with Mr. Eshleman.
Mr. Alexander with Mr. Eshleman.
Mr. Long of Maryland with Mr. Fish.
Mr. Yatron with Mrs. Dwyer.
Mr. Udall with Mr. Edwards of Alabama.
Mr. Stubblefield with Mr. Springer.
Mr. Delaney with Mr. Sebelius.
Mr. Evans of Colorado with Mr. Ruth.
Mr. Pucinski with Mr. Robinson of Virginia.
Mr. Mills of Arkansas with Mr. Lujan.
Mr. Miller of California with Mr. Lloyd.
Mr. Pryor of Arkansas with Mr. Broyhill of North Carolina.

Mr. Smith of Iowa with Mr. Don H. Clausen.

Mr. Sarbanes with Mr. Frey.
Mr. Daniels of New Jersey with Mr. Winn.
Mr. Roncallo with Mr. Wampler.
Mr. Gray with Mr. Whalley.
Mr. Gibbons with Mr. Byrne of Pennsylvania.

Mr. Roy with Mr. Barrett.
Mr. Anderson of Tennessee with Mr. Cornman.

Mr. Flynt with Mr. Griffin.
Mr. Galifianakis with Mrs. Griffiths.
Mr. Jones of Tennessee with Mrs. Hansen of Washington.

Mr. Hansen of Idaho with Mr. Kee.
Mr. Landrum with Mr. Long of Louisiana.

Mr. POAGE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ICHORD. Mr. Speaker, I ask unanimous consent at all Members may have 5 legislative days in which to extend their remarks on H.R. 9669 and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CONFERENCE REPORT ON S. 1736,
AMENDING PUBLIC BUILDINGS
ACT OF 1959

Mr. WRIGHT (on behalf of Mr. GRAY) filed the following conference report and statement on the bill (S. 1736) to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 92-1097)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1736) to amend the Public Buildings Act of 1959, as amended, to provide for financing the ac-

quisition, construction, alteration, maintenance, operation, and protection of public buildings, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Public Buildings Amendments of 1972".

SEC. 2. The Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 601 et seq.), is amended as follows:

(1) strike out in subsection (b) of section 4 the figure "\$200,000" and insert the figure "\$500,000" in lieu thereof;

(2) strike out in subsection (a) of section 12 the following: "as he determines necessary";

(3) insert at the end of section 12(c) the following sentence: "In developing plans for such new buildings, the Administrator shall give due consideration to excellence of architecture and design."; and

(4) section 7 is amended to read as follows:

"SEC. 7. (a) In order to insure the equitable distribution of public buildings throughout the United States with due regard for the comparative urgency of need for such buildings, except as provided in section 4, no appropriation shall be made to construct, alter, purchase, or to acquire any building to be used as a public building which involves a total expenditure in excess of \$500,000 if such construction, alteration, purchase, or acquisition has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. No appropriation shall be made to lease any space at an average annual rental in excess of \$500,000 for use for public purposes if such lease has not been approved by resolutions adopted by the Committee on Public Works of the Senate and House of Representatives, respectively. For the purpose of securing consideration for such approval, the Administrator shall transmit to the Congress a prospectus of the proposed facility, including (but not limited to)—

"(1) a brief description of the building to be constructed, altered, purchased, acquired, or the space to be leased under this Act;

"(2) the location of the building or space to be leased and an estimate of the maximum cost to the United States of the facility to be constructed, altered, purchased, acquired, or the space to be leased;

"(3) a comprehensive plan for providing space for all Government officers and employees in the locality of the proposed facility or the space to be leased, having due regard for suitable space which may continue to be available in existing Government-owned or occupied buildings;

"(4) with respect to any project for the construction, alteration, purchase, or acquisition of any building, a statement by the Administrator that suitable space owned by the Government is not available and that suitable rental space is not available at a price commensurate with that to be afforded through the proposed action; and

"(5) a statement of rents and other housing costs currently being paid by the Government for Federal agencies to be housed in the building to be constructed, altered, purchased, acquired, or the space to be leased.

"(b) The estimated maximum cost of any project approved under this section as set forth in any prospectus may be increased by an amount equal to the percentage increase, if any, as determined by the Administrator, in construction or alteration costs, as the case may be, from the date of transmittal of such prospectus to Congress, but

in no event shall the increase authorized by this subsection exceed 10 per centum of such estimated maximum cost.

"(c) In the case of any project approved for construction, alteration, or acquisition by the Committee on Public Works of the Senate and of the House of Representatives, respectively, in accordance with subsection (a) of this section, for which an appropriation has not been made within one year after the date of such approval, either the Committee on Public Works of the Senate or the Committee on Public Works of the House of Representatives, may rescind, by resolution, its approval of such project at any time thereafter before such an appropriation has been made.

"(d) Nothing in this section shall be construed to prevent the Administrator from entering into emergency leases during any period declared by the President to require such emergency leasing authority, except that no such emergency lease shall be for a period of more than 180 days without approval of a prospectus for such lease in accordance with subsection (a) of this section."

SEC. 3. Subsection (f) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490 (f)), is amended to read as follows:

"(f) (1) There is hereby established in the Treasury of the United States on such date as may be determined by the Administrator, a fund into which there shall be deposited the following revenues and collections:

"(A) User charges made pursuant to subsection (j) of this section payable in advance or otherwise.

"(B) Proceeds with respect to building sites authorized to be leased pursuant to subsection (a) of this section.

"(C) Receipts from carriers and others for loss of, or damage to, property belonging to the fund.

"(2) Moneys deposited into the fund shall be available for expenditure for real property management and related activities in such amounts as are specified in annual appropriations Acts without regard to fiscal year limitations.

"(3) There are hereby merged with the fund established under this subsection, unexpended balances of (A) the Buildings Management Fund (including any surplus therein), established pursuant to this subsection prior to its amendment by the Public Buildings Amendments of 1972; (B) the Construction Services Fund, created by section 9 of the Act of June 14, 1946 (60 Stat. 259), as amended; and (C) any funds appropriated to General Services Administration under the headings 'Repair and Improvement of Public Buildings', 'Construction, Public Buildings Projects', 'Sites and Expenses, Public Buildings Projects', 'Construction, Federal Office Building Numbered 7, Washington, District of Columbia', and 'Additional Court Facilities', in any appropriation Acts for the years prior to the fiscal year in which the fund becomes operational. The fund shall assume all the liabilities, obligations, and commitments of the said (1) Buildings Management Fund, (2) Construction Services Fund, and (3) the appropriations specified in (C) hereof.

"(4) There is authorized to be appropriated to the fund for the fiscal year in which the fund becomes operational, and for the succeeding fiscal year, such advances to the fund as may be necessary to carry out its purposes. Such advances shall be repaid within 30 years, with interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining period to maturity comparable to the average maturities of such advances adjusted to the nearest one-eighth of 1 per centum.

"(5) In any fiscal year there may be deposited to miscellaneous receipts in the Treasury of the United States such amount as may be specified in appropriation Acts.

"(6) Nothing in this section shall preclude the Administrator from providing special services not included in the standard level user charge on a reimbursable basis and such reimbursements may be credited to the fund established under this subsection."

Sec. 4. Section 210 of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490), is amended by adding two new subsections reading as follows:

"(j) The Administrator is authorized and directed to charge anyone furnished services, space, quarters, maintenance, repair, or other facilities (hereinafter referred to as space and services), at rates to be determined by the Administrator from time to time and provided for in regulations issued by him. Such rates and charges shall approximate commercial charges for comparable space and services, except that with respect to those buildings for which the Administrator of General Services is responsible for alterations only (as the term 'alter' is defined in section 13(5) of the Public Buildings Act of 1959 (73 Stat. 479), as amended (40 U.S.C. 612(5))), the rates charged the occupant for such services shall be fixed by the Administrator so as to recover only the approximate applicable cost incurred by him in providing such alterations. The Administrator may exempt anyone from the charges required by this subsection if he determines that such charges would be infeasible or impractical. To the extent any such exemption is granted, appropriations to the General Services Administration are authorized to reimburse the fund for any loss of revenue.

"(k) Any executive agency, other than the General Services Administration, which provides to anyone space and services set forth in subsection (j) of this section, is authorized to charge the occupant for such space and services at rates approved by the Administrator. Moneys derived by such executive agency from such rates or fees shall be credited to the appropriation or fund initially charged for providing the service, except that amounts which are in excess of actual operating and maintenance costs of providing the service shall be credited to miscellaneous receipts unless otherwise authorized by law."

Sec. 5. (a) Whenever the Administrator of General Services determines that the best interests of the United States will be served by taking action hereunder, he is authorized to provide space by entering into purchase contracts, the terms of which shall not be more than thirty years and which shall provide in each case that title to the property shall vest in the United States at or before the expiration of the contract term and upon fulfillment of the terms and conditions stipulated in each of such purchase contracts. Such terms and conditions shall include provision for the application to the purchase price agreed upon therein of installment payments made thereunder. Each purchase contract authorized by this section shall be entered into pursuant to the provisions of title III of the Federal Property and Administrative Services Act of 1949, as amended. If any such contract is negotiated, the determination and findings supporting such negotiation shall be promptly reported in writing to the Committees on Public Works of the Senate and House of Representatives. Proposals for purchase contracts shall be solicited from the maximum number of qualified sources consistent with the nature and requirements of the facility to be procured.

(b) Each such purchase contract shall include such provisions as the Administrator of General Services, in his discretion, shall deem to be in the best interest of the United States and appropriate to secure the performance of the obligations imposed upon the

party or parties that shall enter into such agreement with the United States. No such purchase contract shall provide for any payments to be made by the United States in excess of the amount necessary, as determined by the Administrator, to—

(1) amortize the cost of construction of improvements to be constructed plus the fair market value, on the date of the agreement, of the site, if not owned by the United States; and

(2) provide a reasonable rate of interest on the outstanding principal as determined under paragraph (1) above; and

(3) reimburse the contractor for the cost of any other obligations required of him under the contract, including (but not limited to) payment of taxes, costs of carrying appropriate insurance, and costs of repair and maintenance if so required of the contractor.

(c) Funds available on the date of enactment of this subsection for the payment of rent and related charges for premises, whether appropriated directly to the General Services Administration or to any other agency of the Government and received by said Administration for such purpose, may be utilized by the Administrator of General Services to make payments becoming due from time to time from the United States as current charges in connection with agreements entered into under authority of this section.

(d) With respect to any interest in real property acquired under the provisions of this section, the same shall be subject to State and local taxes until title to the same shall pass to the Government of the United States.

(e) For the purpose of purchase contracts provided for in this section for the erection by the contractor of buildings and improvements for the use of the United States, the Administrator is authorized to enter into agreements with any person, copartnership, corporation, or other public or private entity, to effectuate any of the purposes of this section; and is further authorized to bring about the development and improvement of any land owned by the United States and under the control of the General Services Administration including the demolition of obsolete and outmoded structures situated thereon, by providing for the construction thereon by others of such structures and facilities as shall be the subject of the applicable purchase contracts, and by making available such plans and specifications for the construction of a public building thereon as the Government may possess. Projects heretofore approved pursuant to the provisions of the Public Buildings Act of 1959, as amended (40 U.S.C. 601 et seq.), may be constructed under authority of this section without further approval, and the prospectuses submitted to obtain such approval shall for all purposes, be considered as prospectuses for the purchase of space, except that any such project shall be subject to the requirements of section 7(b) of the Public Buildings Act of 1959, as amended, based upon an estimated maximum cost increased by not more than an average of 10 per centum per year, exclusive of financing or other costs attributable to the use of the method of construction authorized by this section.

(f) Except for previously approved prospectuses referred to in (e) above, no purchase contract shall be entered into pursuant to the authority of this section until a prospectus therefor has been submitted and approved in accordance with section 7 of the Public Buildings Act of 1959, as amended.

(g) No purchase contract shall be entered into under the authority granted under this section after the end of the third fiscal year which begins after the date of enactment of this section.

(h) No space shall be provided pursuant

to this section until after the expiration of 30 days from the date upon which the Administrator of General Services notifies the Committees on Appropriations of the Senate and House of Representatives of his determination that the best interests of the Federal Government will be served by providing such space by entering into a purchase contract therefor.

Sec. 6. (a) The Postmaster General of the United States Postal Service shall convey to the city of Carbondale, Illinois, all right, title, and interest of the United States and such Postal Service, in and to the real property (including any improvements thereon) in Carbondale, Illinois, bounded by old West Main Street on the south, Glenview Drive on the west Illinois Route 13 and access road to Murdale Shopping Center on the north, and by Texaco Service Station and residences on the north, approximately 308 feet on the east, 525 feet on the south, 420 feet on the west and with an irregular boundary on the north, a total area of approximately 191,100 square feet. The exact legal description of the property shall be determined by the Postmaster General, without cost to the city of Carbondale, Illinois. Such conveyance shall be made without payment of monetary consideration and on condition that such property shall be used solely for public park purposes, and if it ever ceases to be used for such purpose, the title thereto shall revert to the United States which shall have the right of immediate reentry thereon.

(b) (1) The United States Postal Service shall grant to the City of New York, without reimbursement, air rights for public housing purposes above the postal facility to be constructed on the real property bounded by Twenty-eighth and Twenty-ninth Streets, Ninth and Tenth Avenues, in the City of New York (the Morgan Annex site), such facility to be designed and constructed in such manner as to permit the building by the City of New York of a high-rise residential tower thereon. *Provided, That—*

(A) the City of New York shall grant to the Postal Service without reimbursement exclusive use of Twenty-ninth Street, between Ninth and Tenth Avenues in the City of New York, such use to be irrevocable unless the Postal Service sells, leases, or otherwise disposes of the Morgan Annex site; and

(B) the City of New York shall agree to reimburse the Postal Service for the additional cost of designing and constructing the foundations of its facility so as to render them capable of supporting a residential tower above the facility, and shall issue any permits, licenses, easements and other authorizations which may be necessary or incident to the construction of the postal facility.

(2) If within twenty-four months after the City of New York has complied with the provisions of paragraphs (A) and (B) of subsection (d) (1) of this section, the United States Postal Service has not awarded a contract for the construction of its facility, the Postal Service shall convey to the City of New York, at the fair market value, all right, title and interest in and to the above-described real property. Such conveyance shall be made on the condition that such property shall be used solely for public housing purposes, and if public housing is not constructed on the property within five years after title is conveyed to the City of New York or if thereafter the property ever ceases to be used for such purposes, title thereto shall revert to the Postal Service, which shall have the right of immediate reentry thereon.

Sec. 7. To carry out the provisions of the Public Buildings Amendments of 1972, the Administrator of General Services shall issue such regulations as he deems necessary. Such regulations shall be coordinated with the Office of Management and Budget,

and the rates established by the Administrator of General Services pursuant to sections 210(j) and 210(k) of the Federal Property and Administrative Services Act of 1949, as amended, shall be approved by the Director of the Office of Management and Budget.

SEC. 8. (a) Notwithstanding any other provision of law, the House Office Building Commission is authorized (1) to use, to such extent as it may deem necessary, for the purpose of providing office and other accommodations for the House of Representatives, the building, known as the Congressional Hotel, acquired by the Government in 1957 as part of Lot 20 in Square 692 in the District of Columbia under authority of the Additional House Office Building Act of 1955 and (2) to direct the Architect of the Capitol to lease, at fair market value, for such other use and under such terms and conditions and to such parties as such Commission may authorize, any space in such building not required for the aforesaid purpose.

(b) Any space in such building used for office and other accommodations for the House of Representatives shall be deemed to be a part of the "House Office Buildings" and, as such, shall be subject to the laws, rules, and regulations applicable to those buildings.

SEC. 9. Section 8 of the John F. Kennedy Center Act, as amended (72 Stat. 1969), is amended by inserting "(a)" immediately after "Sec. 8" and by adding at the end thereof the following new subsection:

"(b) There is hereby authorized to be appropriated to the Board not to exceed \$1,500,000 for the fiscal year ending June 30, 1972, for the public costs of maintaining and operating the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts."

SEC. 10. Section 6 of the John F. Kennedy Center Act, as amended (72 Stat. 1968), is amended by adding at the end thereof the following new subsection:

"(e) The Secretary of the Interior, acting through the National Park Service, shall provide maintenance, security, information, interpretation, janitorial and all other services necessary to the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1973, to the Secretary of the Interior such sums as may be necessary for carrying out this subsection."

SEC. 11. This Act shall become effective upon enactment. The effective date of applying the rates to be charged pursuant to the regulations to be issued under subsections (j) and (k) of section 210 of the Federal Property and Administrative Services Act of 1949, as amended, shall be as determined by the Administrator of General Services but in any event shall not be later than the beginning of the third full fiscal year subsequent to the enactment thereof.

And the House agree to the same.

KEN GRAY,
JOHN C. KLUCZYNSKI,
JIM WRIGHT,
WILLIAM H. HARSHA,
JAMES R. GROVER, Jr.,

Managers on the Part of the House.

MIKE GRAVEL,
JOHN TUNNEY,
J. CALEB BOGGS,
JOHN SHERMAN COOPER,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1736) to amend the Public Buildings Act of 1959, as amended, to provide for financing the acquisition, construction, alteration, maintenance, operation, and protection of public

buildings, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

With respect to the amendment of the House to the text of the Senate bill, the Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment. The differences between the Senate bill, the House amendment and the substitute agreed to in conference are noted below except for minor technical and clarifying changes made necessary by reason of the conference agreement.

SHORT TITLE

The Senate bill, the House amendment and the conference substitute all have the short title "Public Buildings Amendments of 1972".

SECTION 2

Senate bill

This section increases from \$200,000 to \$500,000 the maximum cost of any alteration to or acquisition of a public building which may be undertaken by the General Services Administration in the absence of an authorization from the Committees on Public Works of the Senate and House of Representatives.

G.S.A. must receive authorization from the Committees on Public Works before it may construct or acquire any public building involving an expenditure in excess of \$100,000, or alter any public building involving an expenditure in excess of \$200,000. This has increased those limitations to \$500,000 each.

Under section 7(a) (2) of the Public Buildings Act of 1959, whenever the Administrator of General Services transmits to the Congress a prospectus for a proposed project, that prospectus must include "an estimate of the maximum cost of the project." This subsection strikes the word, "maximum."

This section also repeals sections 7(c) and 7(d) of the Public Buildings Act of 1959.

This section strikes the words, "as he determines necessary" from section 12(a) of the Public Buildings Act of 1959, which authorizes and directs the Administrator of General Services, "as he determines necessary, to submit to Congress prospectuses of proposed projects in accordance with section 7(a) of this Act."

This section amends section 12(c) of the Public Buildings Act of 1959 by providing that the Administrator of General Services, shall give due consideration to excellence of architecture and design in developing plans for future public buildings.

House amendment

This section is the same as the Senate bill in increasing to \$500,000 the maximum cost of any alteration to or acquisition of a public building which may be undertaken by G.S.A. without specific authority from the Committees on Public Works.

This section strikes out "as he determines necessary" from section 12(a) of the Public Buildings Act of 1959 which requires the Administrator of G.S.A. to submit to Congress prospectuses of proposed projects "as he determines necessary".

This section amends section 12(c) of the Public Buildings Act of 1959 by providing that the Administrator of G.S.A. shall give due consideration to excellence of architecture and design in developing plans for future public buildings.

This section amends section 7 of the Public Buildings Act of 1959 to require the Administrator of G.S.A. to submit a prospectus for approval by the House and Senate Public Works Committees whenever he proposes to secure leased space for which he proposes an average annual rental in excess of \$500,000.

Conference substitute

The conference substitute is the same as the House amendment except that the Administrator is authorized to enter into emergency leases for not to exceed 180 days during any period when the President declares that such authorization is needed. No emergency lease could be for a longer period without approval of the Committees.

In the letting of contracts for purchase contract construction, it is the intent of the conferees that the General Services Administration retain ownership of architectural and engineering designs and plans developed for such facilities prior to enactment of this Act.

Further, the conferees recognize that additional design and engineering work may be necessary on some of the projects that will be constructed under a purchase contract arrangement. The GSA should make every effort to contract for such work with the original architect or engineer. GSA should also make every reasonable effort to contract directly for such services with the architect or engineer, rather than directing that the contractor make such arrangements. The conferees believe this is essential, whenever possible, to avoid a situation in which an architectural or engineering firm may face a conflict of interest between the Federal Government and the contractor.

SECTION 3

Senate bill

This section amends section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)).

It establishes in the Treasury a fund for financing real property management and related activities including but not limited to the acquisition, construction, alteration, maintenance, operation, and protection of public buildings. Into this fund are deposited: user charges from eligible departments and agencies equivalent to the commercial value of the office space which they occupy; proceeds with respect to building sites authorized to be leased pursuant to section 210(a) of the Federal Property and Administrative Services Act; and receipts from carriers and others for loss of, or damage to, property belonging to the fund.

It also provides that moneys deposited into the fund shall be available for expenditure in such amounts and for such purposes as are specified in annual appropriation Acts. Authorizations for capital expenditures, however, may be made without regard to fiscal year limitations.

This section lists certain appropriations presently made to G.S.A. which are to be merged into the new buildings fund, together with their liabilities, obligations, and commitments, authorizes advances to be appropriated into the fund, repayable with interest within 30 years, and provides that in any fiscal year, there may be deposited to miscellaneous receipts such amounts as are specified in the annual budget estimates for the fund.

Finally this section enables G.S.A. to provide special services to agencies not included in the standard level user charge on a reimbursable basis, with reimbursements to be credited to the fund.

House amendment

Except for minor technical clerical and clarifying amendments the House amendment is the same as the Senate bill excluding authorization for advances to the fund.

Conference substitute

This is the same as the House amendment including, however, an authorization for advances to the fund during the first two years of its operation.

SECTION 4

Senate bill

This section amends section 210 of the Federal Property and Administrative Serv-

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ices Act of 1949, as amended (40 U.S.C. 490) by adding to it three new subsections.

New subsection (j) authorizes the Administrator of General Services to charge eligible agencies for furnished services, space, quarters, maintenance, repairs, or other facilities at rates determined by him. These rates shall approximate commercial charges for comparable space and services. However, in the case of those buildings for which the Administrator is responsible for alterations only, the rates charged shall be sufficient to recover only the applicable cost of the alteration. Agencies and their activities may be exempted from the G.S.A. rates by the President.

This subsection also authorizes the Administrator to alter Federal buildings.

In addition, this subsection authorizes the Administrator to maintain, operate, and protect Federal buildings and sites and to provide related services, including demolition and improvement with respect to sites authorized to be leased pursuant to section 210(a) of the Federal Property and Administrative Services Act of 1949, authorizes the G.S.A. to rent space in buildings in the District of Columbia, and authorizes the Administrator to provide, on private or other property not in government control, fencing, lighting, guard booths, and other facilities which are appropriate to enable the United States Secret Service to perform its protective functions.

New subsection (k) provides that any Executive agency, other than G.S.A., which provides space and services to other agencies, may do so at rates approved by the Administrator of General Services.

New subsection (l) contains definitions.

House amendment

The House provision authorizes and directs the Administrator to charge for services, space, quarters, maintenance, repairs, or other facilities at rates which he determines in regulations which rates are to approximate commercial charges for comparable space and services. In the case of buildings for which the Administrator is responsible for alterations only, the rates charged shall be fixed so that to recover only the approximate applicable cost incurred in providing the alterations. The Administrator may exempt anyone from these charges. If exemptions are granted, appropriations are authorized to reimburse the fund for the lost revenue. In addition, authorization is provided to executive agencies providing space or services to other persons to charge them at rates approved by the Administrator and the Director of O.M.B.

Conference substitute

The conference substitute is the same as the House amendment except that the Administrator's right to exempt anyone from charges is contingent upon his determination that these charges would be infeasible or impractical in that particular case. The requirement that the Director of O.M.B. approve rates to be charged for executive agencies other than G.S.A. is removed from this provision and placed instead in section 7 of the legislation.

SECTION 5

Senate bill

This section amends the Public Buildings Act of 1959, as amended (40 U.S.C. 601 et seq.) by adding a new section 4 and renumbering the existing section 4 and subsequent sections appropriately.

This section enables the Administrator of General Services to enter into purchase contracts with terms of between 10 and 30 years. Each such contract must provide that title to the property vests in the United States. Installment payments by the United States are applied to the purchase price.

It also authorizes the Administrator to require security from those entering into pur-

chase contracts with the United States. No purchase contract may be entered into which provides for payments by the United States in excess of the amount necessary, as determined by the Administrator, to: (1) amortize the cost of improvements to be constructed, plus the fair market value, on the date of the agreement, of the site, if owned or acquired by the contractor; (2) provide a reasonable rate of interest on the outstanding principal; and (3) reimburse the contractor for the cost of any other obligations assumed by him under the contract, including the payment of taxes, costs of insurance, and costs of repair and maintenance.

This section authorizes the use of monies from the buildings fund and other direct appropriations to G.S.A. for the installment payments on purchase contracts.

In the case of all purchase contracts, real property remains subject to state and local taxation until its title vests in the United States.

The Administrator is also authorized to enter into agreements to effectuate the purposes of this section, and to bring about the development and improvement of any land owned by the United States and under control of G.S.A. In the case of projects which have received prior authorization by the Committees on Public Works, which have not changed substantially in scope, and which have not increased in construction cost by more than an average of 10 percent per year since the authorization, no new approval is needed from the committees before a purchase contract may be entered into.

Except for the previously noted projects, no purchase contract shall be entered into until the Committees on Public Works have approved individual prospectuses for such projects.

Finally the section limits the purchase contract authority of G.S.A. to three years.

House amendment

The House provision is not an amendment to the Public Buildings Act of 1959 but a free standing authority. The purchase contract authority would permit G.S.A. to make regular payments over a period not to exceed 30 years to persons who would finance and construct buildings to G.S.A. specifications. At or before the end of the contract term, title to the building would vest in the United States. Each purchase contract would be entered into in accordance with title III of the Federal Property and Administrative Services Act of 1949. The determinations and findings supporting negotiated contracts are to be promptly reported to the committees. Proposals for purchase contracts are to be solicited from the maximum number of qualified sources. The remaining provisions in the House amendment, except for technical and clarifying changes, are the same as those of the Senate bill with regard to purchase contracts, including authorization to construct by this method projects heretofore approved under the Public Buildings Act of 1959 without further approval.

This provision of the House amendment was modified on the floor of the House by the adoption of a new subsection (h) prohibiting purchase contracts until they have been authorized by resolutions adopted by the Committees on Appropriations of the Senate and House, respectively.

Conference substitute

The conference substitute is the same as the provision of the House amendment except for a clarifying amendment adopted to subsection (f) removing certain superfluous language and the adoption of a substitute subsection (h) which would prevent space being provided by lease purchase until the Committees on Appropriations had been notified by G.S.A. of the intention to do so in each instance and 30 days had passed from the date of such notification.

SECTION 6 Senate bill

This section authorizes the Administrator of G.S.A. to issue such regulations as he deems necessary to carry out this Act.

House amendment

This is the same as the Senate bill with the additional requirements that regulations be coordinated with O.M.B. and rates established under section 210(j) by the Administrator be subject to approval by the Director of O.M.B.

Conference substitute

This is the same as the House amendment except that rates under 210(k) are also subject to the requirement of approval by O.M.B.

SECTION 7 Senate bill

This section specifies that funds available to any eligible agency may be used to pay user charges established under section 210(j) and (k) of the Federal Property and Administrative Services Act of 1949.

House amendment

No comparable provision.

Conference substitute

No comparable provision.

SECTION 8 Senate bill

This section is intended to insure that the General Services Administration adheres to all applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Under this section, the Administrator of General Services must file a statement with the Secretary of the Department of Housing and Urban Development and with the Administrator of the Small Business Administration, detailing the number of residential and small business units to be demolished or removed by a given project, and how the G.S.A. intends to comply with the above Act. The Secretary of Housing and Urban Development and the Administrator of the Small Business Administration, in turn, are required to certify that the measures to be undertaken by G.S.A. are consistent with the requirements of the Act.

House amendment

No comparable provision.

Conference substitute

No comparable provision.

SECTION 9 Senate bill

This section fixes the effective date of the legislation at no later than the beginning of the third full fiscal year following its enactment.

House amendment

Same as the Senate bill.

Conference substitute

Same as both Senate bill and House amendment.

SPECIFIED PROPERTY Senate bill

No comparable provision.

House amendment

Section 6 of the House amendment authorizes and directs the Postmaster General to convey without monetary consideration to the city of Carbondale, Illinois, certain specified property on condition that it be used solely for public park services. In addition, the Postal Service is required to grant to the city of New York air rights above a postal facility to be constructed in that city upon compliance with certain conditions relating to the use of the adjoining street and the payment of costs of construction necessary to support public housing above the proposed postal facility. If the Postal Service fails to award a contract for construction within

two years after the city has complied with the requirements then the Postal Service is required to convey at fair market value all of the real property. This conveyance is to be on condition that the property be used for public housing purposes and if public housing is not constructed on the site within five years after passage of title to the city or if the property ever ceases to be used for that purpose, title reverts to the Postal Service.

Conference substitute

Same as the House amendment.

OTHER PROPERTIES

Senate bill

No comparable provision.

House amendment

Section 8 of the House amendment authorizes the House Office Building Commission to use for the purpose of providing office and other accommodations for the House of Representatives, the Congressional Hotel (presently Federal property) and directs the Architect of the Capitol to lease, under the direction of the Commission, space in the building not required for those purposes. Space in the building used for offices and accommodations for the House of Representatives is to be deemed to be part of the House office buildings for the purpose of laws, rules, and regulations applicable thereto.

Conference substitute

Same as the House amendment.

KENNEDY CENTER

Senate bill

No comparable provision.

House amendment

Sections 9 and 10 of the House amendment authorized appropriations to the Board of Directors of the Kennedy Center of not to exceed \$1.5 million for fiscal year 1972 to finance that part of the building's operation, maintenance, and protection costs which are related to the nonperforming arts functions of the Center. In addition, the Secretary of the Interior acting through the National Park Service is required to provide maintenance, security, information, interpretation, janitorial, and all other services necessary to the nonperforming arts functions of the Kennedy Center and appropriations are authorized for fiscal year 1973 for this purpose.

Conference substitute

Same as the House amendment.

In section 10 of the bill, the authority provided to the National Park Service by the words "information" and "interpretation" was discussed by the Conference Committee, as the words are not defined and as the interpretations of the National Park Service and of the Kennedy Center on this point appear to differ.

The managers on the part of the House and Senate agreed that section 10 does not confer exclusive responsibility on the National Park Service for providing information and interpretation services at the John F. Kennedy Center for the Performing Arts, and in no way does it give authority to the National Park Service over the Friends of the Kennedy Center or place the Friends under the direction of the Park Service. The role of the Friends of the Kennedy Center with respect to interpretation and information services at the Kennedy Center shall be determined by agreement between the Board of Trustees and the National Park Service.

KEN GRAY,
JOHN C. KLUCZYNSKI,
JIM WRIGHT,
WILLIAM H. HARSHA,
JAMES R. GROVER, Jr.,

Managers on the Part of the House.

MIKE GRAVEL,
JOHN TUNNEY,
J. CALLEB BOGGS,
JOHN SHERMAN COOPER,

Managers on the Part of the Senate.

CORRECTION OF VOTE

Mr. DENT. Mr. Speaker, on rollcall No. 170, I am recorded as not voting. I was present and voted "yea." I ask unanimous consent that the permanent Record and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CORRECTION OF ROLLCALL

Mr. DONOHUE. Mr. Speaker, on rollcall No. 172, today, a quorum call, I am recorded as absent. I was present and answered to my name. I ask unanimous consent that the Record be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BANKS REAP HUGE SUBSIDY FROM TAX AND LOAN ACCOUNTS

(Mr. PATMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the big commercial banks of this Nation are reaping a bonanza by retaining billions of dollars in Federal tax payments.

Through the benevolence of the U.S. Treasury Department, nearly \$6 billion of income tax funds and related payments were in interest-free tax and loan accounts in commercial banks across the United States in mid-February. These deposits of public funds—paid in by the average taxpayer—represent one of the largest single business subsidies provided by the Federal Government.

Mr. Speaker, these statements are substantiated by a study which the Banking and Currency Committee released today concerning the tax and loan account balances in 12,838 commercial banks. As my colleagues know, the phrase, "tax and loan accounts," is used to describe funds belonging to the U.S. Treasury which are deposited in demand accounts in private commercial banks.

These funds come from several sources, including payments for Government securities purchased by the bank—either for its customers or its own accounts; from payments of various taxes such as employee withholding income taxes, payroll taxes from the old-age insurance program, railroad retirement taxes, certain excise taxes, and corporate taxes. These deposits in the commercial banks have ranged as high as \$11 billion in recent years.

Mr. Speaker, the banks repaid untold millions in added profits from the deposits which they are free to invest any way they see fit under the law.

The money is subject only to periodic withdrawal from the accounts by the Treasury Department and most banks—particularly the big money center banks—are able to estimate with great precision the average balances that can be expected from the tax and loan accounts during any year.

At present, 102 of the Nation's nearly 14,000 commercial banks hold 44 percent of the Treasury's tax and loan accounts. The 50 largest banks hold more than one-third of all such deposits. The greatest concentration of the funds is in New York City where eight banks control 12½ percent of the Nation's tax and loan funds.

Mr. Speaker, it is ironic that the very commercial banks which have sought Federal subsidies and guarantees for loans to such corporations as Penn Central and Lockheed Aircraft Corp. are holding millions of dollars of interest-free tax money.

For example, Mr. Speaker, the banks which sought—and received—the guarantee from the Federal Government on Lockheed, had \$1.4 billion of Federal tax and loan accounts as of mid-February of this year. In other words, these banks had Federal funds six or seven times the amount of the guarantee that they were seeking from the American taxpayer.

Once again, this situation makes it appear that the Lockheed loan was much more of a bailout and a bonanza for the banks than it was assistance to the Lockheed Aircraft Corp. or its workers. I regret greatly that the Treasury Department did not reveal these huge tax and loan account balances at the time they were up here lobbying for the Lockheed guarantees. This might well have placed a different color on the entire transaction.

Mr. Speaker, here is a list of the Lockheed banks and their tax and loan accounts:

<i>Lockheed banks and their tax and loan accounts</i>	<i>Million</i>
Bankers Trust Company.....	\$71.6
Bank of America.....	149.7
Bank of California.....	19.4
Chase Manhattan.....	177.3
Chemical Bank.....	102.5
Citizens & Southern Nat'l Bank (Atlanta).....	15.2
Continental Illinois National Bank.....	63.7
Crocker National Bank (San Francisco).....	33.2
FNB of Atlanta (First Nat'l Bank).....	9.0
FNB of Boston (First Nat'l Bank).....	38.7
FNCB (First National City Bank—New York City).....	139.5
Fulton Nat'l Bank (Atlanta, Ga.).....	13.0
Girard Trust Bank.....	18.3
Irving Trust Company.....	51.1
Mrs. Hanover Trust Company.....	87.2
Mellon National Bank.....	66.7
Morgan Guaranty Company.....	75.2
Pacific Nat'l Bank of Washington.....	13.0
Philadelphia National Bank.....	38.2
Security Pacific Nat'l Bank (Los Angeles).....	109.9
Trust Company of Georgia.....	10.2
UCB (United California Bank).....	55.6
Wells Fargo Bank.....	46.9
Total.....	1,405.1

The system is discriminatory against the smaller banks of the Nation and the study shows a prima facie case of gross favoritism for the large banking institutions. It is even more discriminatory toward credit unions, savings and loan associations, and mutual savings banks who receive none of this Federal largesse.

Since the great majority of the tax and loan funds come from withholding for income tax purposes, the system is also highly discriminatory against the

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average wage earner. Most people are willing to pay their taxes in advance through withholding in the belief that their Government needs the funds, but, in truth, these payments do not go directly to the Treasury but into deposits in the commercial banks. So the withholding system provides a massive welfare program for commercial banks.

Mr. Speaker, the study shows a need for the Federal Government to take one of two steps regarding the handling of the tax and loan accounts:

First. Require the payment of interest to the Treasury Department, or

Second. Require the use of the Tax and Loan Accounts as a "carrot" to encourage banks to make more loans available for small business, housing, environmental quality projects, and other activities which would help provide jobs and meet national economic and social goals.

The Treasury Department, led by Under Secretary Charls Walker, has exhibited a plodding and unimaginative approach to the utilization of the tax and loan funds.

These billions of dollars of tax funds could provide a tremendous incentive to move credit into areas of greatest need, and it is tragic that we have a Treasury Department which spends all of its time finding excuses for not prodding and encouraging the commercial banking industry into a better allocation of credit. The Treasury's attitude—and the figures compiled in the committee study—lend credence to the belief that these funds remain as an interest-free subsidy to the banks and that they are allocated, at least in part, on the basis of political favoritism.

Mr. Speaker, I have asked the committee staff to investigate Treasury Department claims that the money remains interest-free in return for various services that commercial banks perform for the Federal Government.

In the past, the Treasury has listed such things as issuing and payment of savings bonds, purchasing of Government securities, cashing Government checks, and procuring and distributing Federal income tax forms to the public as "services" provided free for the Federal Government.

The staff study establishes that virtually all of these activities are provided as a normal run of customer services which are used by the commercial banks to help attract and keep depositors. These are services being provided for the depositor and not for the Federal Government.

In many cases, commercial banks are refusing to cash Government checks except for their depositors and some banks are requiring a service charge for the purchase of Government securities by smaller investors.

In addition, some banks are charging the Federal Government for basic banking services despite the fact that they are beneficiaries of huge tax and loan accounts. For instance, Chase Manhattan had a tax and loan balance of \$177.3 million in February and, at the same time, was charging the Treasury Department \$4 million annually for operating banking facilities at military installations in the United States and overseas.

It is a myth that commercial banks are providing any real service in return for this huge subsidy bonanza.

Mr. Speaker, the committee has already launched a second study concerning various "time deposits" maintained by various governmental agencies in banks around the Nation. These funds are also interest-free and the committee wants to determine both the level and the allocation of these funds.

The sad use of public deposits is one more evidence of the misallocation of credit in the commercial banking system.

The lack of public interest direction in the deposit of public funds must be viewed alongside of the Federal Reserve System's traditional resistance to the use of monetary mechanisms to allocate funds to credit-starved sectors of the economy. It is no wonder that our cities and rural areas have such a backlog of public needs in view of the joint Treasury-Federal Reserve foot dragging about allocation of credit.

JAMES FRAZER HILLMAN

(Mr. MOORHEAD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MOORHEAD. Mr. Speaker, I rise in sorrow today to advise the House of the death of one of Pittsburgh's leading citizens. James Frazer Hillman, pioneer conservationist, dedicated philanthropist and prominent Pittsburgh coal operator, died on May 26 in the Presbyterian University Hospital at the age of 83. I knew Mr. Hillman all my life and there is no man for whom I had greater admiration or deeper affection. It was James F. Hillman who developed my interest in conservation and I had the honor of serving with him on the boards of the Pittsburgh Park and Playground Society and the Western Pennsylvania Conservancy.

This Nation and my community have suffered a great loss.

To Mrs. Hillman, his four children, his grandchildren and great grandchildren my wife and I extend our deepest sympathy.

I include with my remarks articles from the Pittsburgh Post Gazette, the Pittsburgh Press, the New York Times, and the Washington Post on the subject of James F. Hillman:

PHILANTHROPIST JAMES HILLMAN DIES

PITTSBURGH.—James Frazer Hillman, a prominent area coal operator and philanthropist, died Friday in Presbyterian-University Hospital. He was 83.

Mr. Hillman, as president of Harmon Creek Coal Corp., which had extensive strip mining operations west of the city, voluntarily began the restoration of the strip mines to productive land years before state laws were passed in 1945 requiring land restoration.

A native of Pittsburgh, Mr. Hillman donated funds and large tracts of land for park development in Pittsburgh and Allegheny County. He also developed forests, a park, lake and swimming pool for the residents of northwest Washington County, where he operated several mines.

In January, 1969, Hillman donated 3,654 acres in Hanover Township, Washington County, to the state as a park, and 2,975 acres for public hunting land in the same area.

Mr. Hillman had his employees stockpile

top soil when mining, then after the strip excavation had been restored to contour, the top soil was replaced. Within two years there would be no evidence that the land had been used for strip mining.

His firm planted 20,000 to 30,000 trees annually on the restored land. And in some instances grass was planted.

The World War I veteran spearheaded a drive in 1948 to beautify the city, and subsequently conceived the Mayor's Committee for a Cleaner City, of which he was chairman.

Mr. Hillman was a member of the board of trustees of Carnegie Institute. He had also been president of the board at Shadyside Hospital; a member of the City of Pittsburgh's Sinking Fund Commission; on the board of directors of the Pittsburgh Bicentennial Association; emeritus trustee of the Dollar Savings Bank; charter member of the Bibliophile Society; and a member of the Civic Light Opera advisory board, Pittsburgh Playhouse board and the Pittsburgh History and Landmark society.

Funeral services were scheduled for Sunday at Calvary Episcopal Church, with interment following at Homewood Cemetery.

Mr. Hillman is survived by his widow, the former Marguerite Wright, of Augusta, Ga., four daughters, 15 grandchildren and two great grandchildren.

CONSERVATION PIONEER JAMES F. HILLMAN, PHILANTHROPIST, DIES

James Frazer Hillman, prominent Pittsburgh area coal operator, philanthropist and pioneer in the field of conservation, died yesterday (May 26) in Presbyterian-University Hospital at the age of 83.

As president of the Harmon Creek Coal Corp. which had extensive strip mining operations along Route 22 west of here, Mr. Hillman voluntarily began restoring strip mine pits to fertile, productive land years before State laws were passed in 1945 requiring land restoration.

Mr. Hillman was equally active in the move to make Pittsburgh a cleaner and more attractive city.

He promoted such projects long before he became chairman of the Mayor's Committee for a Cleaner City in March, 1948, and he was one of the organizers of Pa. Pitt's Partners, the citizen group which strongly supported the move for a more attractive city.

As a philanthropist he donated thousands of dollars for parks and other community projects both in Pittsburgh and in Washington County as well as large tracts of land for park developments.

A native of Pittsburgh, Mr. Hillman had many mining operations in Burgettstown and Smith Township in northwestern Washington County, and he developed forests, a park, lake and swimming pool for the residents of that area.

In Pittsburgh Mr. Hillman donated \$32,000 to the city in 1949 for the development of four neighborhood parks in the Spring Garden section of the Northside, the Hill district and Hazelwood.

The donation was made through the Allegheny Conference on Community Development of which Mr. Hillman was chairman from 1949 to 1951.

In 1956, the industrialist, one of the city's most prominent Republicans, offered the city \$12,500 to improve a city playground named for an early stalwart of the Democratic party—the Jefferson playground in a heavily-populated area of the Northside.

He also gave the city \$5,000 for new types of playground equipment and was responsible for development of many of the city's community parks.

A contributing life member of the Western Pennsylvania Conservancy since 1961, Mr. Hillman was honored by that agency in March, 1969, for his practice of land conservation in the strip mine business. He also received numerous other awards.